Pan

January 7, 1987

TO:

File

FROM:

Pamela Grubaugh-Littig, Reclamation Engineer

RE:

Whiterocks Tar Sands, Uintah County, Utah

Pursuant to the letter dated December 31, 1986 sent by John Whitehead, Permit Supervisor, to Fausett Incorporated, Mr. John Fausett telephoned the Division on January 6, 1987, to notify the Division that he received the letter and will have a response to the Division by the end of the month.

Mr. Fausett stated that after the Division visit in August, he became aware of the fact that he did not hold a bona fide lease. Mr. John Fairbanks had falsely represented himself to Mr. Fausett as an agent for Whiting Oil.

Mr. Fausett's payment of royalties to Whiting Oil had suggested to them that they had leased the property. Legally, they had not. This situation has since been corrected. Mr. Fausett now has legal and valid leases from Whiting Oil for Whiterocks Tar Sands.

The Mr. Fausett we met on site in August, 1986, has since moved to Arizona due to a number of unfortunate circumstances. It is his father who now has the lease and will proceed with the permitting of this site.

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